

**Department of Personnel Administration  
Memorandum**

**TO: Personnel Management Liaisons (PML)**

<b>SUBJECT:</b> Executive Order S-09-08 - No Budget	<b>REFERENCE NUMBER:</b> 2008-022
<b>DATE ISSUED:</b> 07/31/08	<b>SUPERSEDES:</b>

This memorandum should be forwarded to:

**Personnel Officers  
Labor Relation's Officers**

**FROM:** Department of Personnel Administration

**CONTACT:** Personnel Services Branch  
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In the absence of a Budget, [Executive Order S-09-08](#) issued July 31, 2008, directs State agencies and departments under the Governor's executive authority to do the following with the exception of services and functions outlined in the Executive Order that are considered critical to protect life, safety, including but not limited to emergency and disaster response activities, and to maintain 24-hour medical care.

**Halt the Hiring of Employees Effective July 31, 2008**

No appointments, transfers, reinstatements, promotions, and contracting for individuals to perform services will be allowed until the Budget is signed and the Director of Finance confirms an adequate cash balance exists to meet the State's fiscal obligations.

- All job commitments to employees within State service are on hold.
- All pay letters are on hold.
- The only increase to salary during this period will be for those that are required by law.
- All increases to an employee's time base are on hold.

The only exceptions to the above are:

- Appointments for services needed to continue critical functions as outlined in the Executive Order.
- Services provided by multi year contracts for Information Technology systems and services if approved by the Office of the Chief Information Officer.
- Bona fide offers of employment to an individual who accepted the offer with an agreed upon effective date given prior to the issuance of the Executive Order.

- An SROA/surplus employee transferring to a department with an exemption outlined in the Executive Order.
- Intra-departmental transfers.

### **Eliminate Overtime Effective July 31, 2008**

No overtime will be worked unless the overtime is for activities required to protect life and safety as outlined in the Executive Order.

### **Terminate the Services of Temporary Work Force Effective July 31, 2008**

The services of the following categories of employees will be terminated until the Budget is signed and the Director of Finance confirms an adequate cash balance exists to meet the State's fiscal obligation:

- Retired annuitants (employees that are hired with a tenure of R pursuant to G. C. Section 19144 and 21224).
- Permanent intermittent employees;
- Seasonal, temporary help, and student assistants (employees that are hired with a tenure of temporary); and
- Personal services contracts.

All temporary employees **except** for permanent intermittents will be separated as of July 31, 2008. Departments must key a separation transaction on the PAR for those employees immediately.

Permanent intermittent employees will not be separated; however, their services are not to be used until further notice.

The Director of Finance is releasing a Budget Letter which will outline an exemption process that Agency Secretaries will use to determine if an exemption to the Executive Order is justified based on critical services and functions.

The Department of Personnel Administration and the Department of Finance will be working with the State Controller's Office to develop and implement the provisions of the California Supreme Court's White v. Davis opinion to pay federal minimum wage to employees covered by the Fair Labor Standards Act (Work Week Group 2 employees).

Human resources staff with questions may contact DPA Personnel Services Branch using the contact information above.

/s/Julie Chapman

Julie Chapman, Chief  
Labor Relations Division